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SUBJECT: DEMARCHE REQUEST: TURKEY CHANGE OF STATUS AT THE EBRD -  
AUSTRIA UNLIKELY TO SUPPORT U.S. POSITION

REF: STATE 41999

[1](#)1. (U) Summary. The Austrian Ministry of Finance (MoF) is unlikely to support the proposed U.S. approach linking Turkey's application for change membership status to a six-month strategic review of the EBRD's mandate. End Summary.

[1](#)2. (U) Post conveyed reftel demarche on May 5 to Leander Treppel, Manager of the External Economic Program Division of the MoF's Economic Policy and Financial Markets Directory. According to Treppel, the MoF has not yet agreed on a formal position for the EBRD's Annual Meeting, but favors a strategic redirection of the EBRD towards Southeastern Europe, Ukraine, Georgia, Armenia, the Caucasus region and other Asian countries to use the EBRD's unique experience with transition economies. However, the MoF is concerned that linking Turkey's request to a discussion about EBRD's strategic reorientation could unduly delay Turkey's request.

[1](#)3. (U) Treppel also indicated that the Minsitry was skeptical about a formal strategic review under the new EBRD administration, noting that the EBRD regularly reviewed its investment strategy and was evolving naturally toward the southeast. He stated that the GoA disagrees with proposals heard previously from U.S. sources that the EBRD should gradually be wound down.

[1](#)4. (U) Vice-Chancellor and Finance Minister Wilhelm Molterer and Leander Treppel will attend the EBRD's Annual Meeting, May 18-19.

KILNER